

## Press Release

### NSE IFSC to introduce trading in US Stocks

**Mumbai, 9 August, 2021:** NSE International Exchange (NSE IFSC), a wholly owned subsidiary of the National Stock Exchange of India Ltd (NSE), has announced that trading in select US Stocks will soon be facilitated through the NSE IFSC platform. The offering will be in the form of unsponsored depository receipts. IFSCA has facilitated the same under the Regulatory Sandbox.

The entire trading, clearing, settlement and holding of US Stocks will be under the regulatory structure of IFSC Authority.

This initiative is a first of its kind at IFSC where Indian retail investors will be able to transact on the NSE IFSC platform under the Liberalized Remittance Scheme (LRS) limits prescribed by the Reserve Bank of India (RBI).

The business model offered by NSE IFSC will not only provide an additional investment opportunity to the Indian investors but also make the entire process of investment easy and at a low cost. Investors will be provided with an option to trade in fractional quantity / value when compared to the underlying shares traded in US markets. The proposed framework will make US stocks affordable to Indian retail investors. NSE IFSC Clearing Corporation Limited (NICCL) will offer its robust risk management framework, facilitate clearing and settlement of all trades in depository receipts and provide settlement guarantee in respect to all trades executed on the NSE IFSC platform. Furthermore, all the trades will also be covered under the investor protection framework at NSE IFSC.

Investors will be able to hold the depository receipts in their own demat accounts opened in GIFT City and will be entitled to receive corporate action benefits pertaining to the underlying stock.

NSE IFSC will announce the operational details shortly and will launch the product at the earliest possible time. Depositories, banks and brokers have already started working with NSE IFSC to enable these investment products for Indian investors.

Mr. Vikram Limaye, MD & CEO, NSE said: "This will be an innovative product, and one of the key milestones for NSE IFSC that will expand the product coverage of the Exchange beyond existing clientele. The product enables resident individuals to easily and cost effectively invest in US stocks under the LRS framework of RBI (which permits the resident individuals to remit up to USD 2,50,000 per financial year for any permitted current or capital account transaction). With the guidance of IFSC authority and the support of all the key stakeholders involved, we hope to operationalize this product soon."

Mr. Tapan Ray, MD & Group CEO, GIFT City said: "GIFT City is emerging as a financial gateway of a country for investment in India and globally. The ecosystem of international banks, international exchanges and capital market intermediaries have been growing rapidly at GIFT City. It is the right time to get such an innovative product especially from an Indian perspective; we have seen over a period that Indians have started investing in global stocks. We congratulate NSE IFSC for this new endeavor and wish them a great success."

**About NSE IFSC:**

NSE IFSC is a wholly owned subsidiary of NSE. The trading at NSE IFSC Limited was launched on June 5, 2017 post receiving grant of recognition from SEBI. NSE IFSC has already launched trading in Indian and global stock derivatives, index derivatives, currency derivatives, depository receipts and non-agriculture commodity derivatives. SEBI & IFSC Authority has also permitted trading in wide range of products including equity shares of companies incorporated outside of India, debt securities of eligible issuers, interest rate derivatives and all categories of exchange traded products that are available stock exchanges in FATF/IOSCO compliant jurisdictions. In addition, the regulator has allowed FPIs to trade in commodity derivatives in GIFT IFSC.

For more information, please visit: [www.nseifsc.com](http://www.nseifsc.com)

**About National Stock Exchange of India Limited (NSE):**

National Stock Exchange of India (NSE) is the world's largest derivatives exchange by trading volume (contracts) as per the statistics maintained by Futures Industry Association (FIA) for calendar year 2020. NSE is ranked 4th in the world in the cash equities by number of trades as per the statistics maintained by the World Federation of Exchanges (WFE) for calendar year 2020. NSE was the first exchange in India to implement electronic or screen-based trading. It began operations in 1994 and is ranked as the largest stock exchange in India in terms of total and average daily turnover for equity shares every year since 1995, based on SEBI data. NSE has a fully-integrated business model comprising exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. NSE also oversees compliance by trading, clearing members and listed companies with the rules and regulations of SEBI and the exchange. NSE is a pioneer in technology and ensures the reliability and performance of its systems through a culture of innovation and investment in technology.

For more information, please visit: [www.nseindia.com](http://www.nseindia.com)

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